

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKETING DEPARTMENT

NOTICE OF FILING AND HEARING

DOCKET NO. 2005-210-E

Application of Duke Energy Corporation for Authorization to Enter into a Business Combination Transaction with Cinergy Corporation

Duke Energy Corporation (“Duke Energy”), pursuant to S.C. Code Ann. §58-27-1300 (Supp. 2004), and other applicable regulations of the Public Service Commission of South Carolina (the “Commission”), has filed an Application for authorization to enter into a business combination with Cinergy Corporation (“Cinergy”). S.C. Code Ann. §58-27-1300 requires Commission approval prior to the consolidation or merger of a utility’s property, powers, franchises, or privileges.

Duke Energy is a corporation duly organized and existing under the laws of the State of North Carolina. Additionally, Duke Energy is authorized to transact business in the State of South Carolina and is a public utility under the laws of this State. Its operations in South Carolina are subject to the jurisdiction of the Commission.

Cinergy is a Delaware corporation headquartered in Cincinnati, Ohio. Its principal direct and indirect subsidiaries are (i) PSI Energy, Incorporated (“PSI”), a vertically integrated electric utility serving a significant portion of the retail electric requirements in the State of Indiana, (ii) The Cincinnati Gas and Electric Company (“CG&E”), a utility engaged in the production, transmission, distribution, and sale of electricity and the sale and transportation of natural gas in the southwestern portion of Ohio, and (iii) The Union Light, Heat and Power Company (“ULH&P”), a wholly-owned subsidiary of CG&E and a vertically integrated utility serving a portion of the retail electric and gas requirements in Northern Kentucky. Further, Cinergy is a registered holding company under the Public Utility Holding Company Act of 1935 (“PUHCA”). It had approximately \$15 billion in assets, \$4.7 billion in revenues and net income of \$400 million as of December 31, 2004 and ranked number 412 on Fortune magazine’s 2005 ranking of the 500 largest publicly traded U. S. companies.

Duke Energy and Cinergy have entered into an Agreement and Plan of Merger by and among Duke Energy, Cinergy, Duke Energy Holding Corporation, a Delaware corporation, Deer Acquisition Corporation, a North Carolina corporation and Cougar Acquisition Corporation, a Delaware corporation, dated as of May 8, 2005 (“Plan of Merger”). A copy of the Plan of Merger can be viewed on the Commission website at www.psc.sc.gov. The Plan of Merger sets forth a series of mergers and restructuring transactions that will implement the business combination of Duke Energy and Cinergy.

The Application reveals that Duke Energy entered into the Plan of Merger to build a stronger company. According to the Application, the Plan of Merger will not adversely affect retail electric rates for Duke Energy’s South Carolina customers. Duke Energy hereby provides notice that following consummation of the Plan of Merger, it will become a subsidiary of a registered holding company under PUHCA.

A copy of the Company's Application can be obtained from the Commission at the following address: Public Service Commission of South Carolina, Docketing Department, Post Office Drawer 11649, Columbia, South Carolina 29211 and the Commission's website at www.psc.sc.gov; and is available from William F. Austin, Esquire, Austin Lewis and Rogers, P. A., 508 Hampton Street, Columbia, South Carolina 29201.

In order for testimony and evidence to be received from all interested parties, a public hearing will be held in the Commission's Hearing Room, Synergy Business Park, Saluda Building, 101 Executive Center Drive, Columbia, South Carolina on **Monday, October 10, 2005 at 11:00 a.m.**

Any person who wishes to testify and present evidence at the hearing concerning these matters should notify, in writing, the Docketing Department at the address below, the Office of Regulatory Staff, Post Office Box 11263, Columbia, South Carolina 29211 and William F. Austin, Esquire, Austin Lewis and Rogers, P.A., 508 Hampton Street, Columbia, South Carolina 29201 on or before **August 26, 2005**. Please refer to ***Docket No. 2005-210-E***.

Any person who wishes to participate in this matter, as a party of record with the right of cross-examination, should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure on or before **August 26, 2005** and indicate the amount of time required for his presentation. Please include an email address for receipt of further Commission correspondence in the Petition to Intervene. Please refer to ***Docket No. 2005-210-E***.

Any person who wishes to be notified of the hearing, but does not wish to present testimony or be a party of record, may do so by notifying the Docketing Department, in writing, at the address below on or before **August 26, 2005**. *Please refer to Docket No. 2005-210-E.*

Any person who wishes to request a hearing in his or her county of residence should notify before September 26, 2005, in writing, the Docketing Department at the address below, the Office of Regulatory Staff, Post Office Box 11263, Columbia, South Carolina 29211 and William F. Austin, Esquire, Austin Lewis and Rogers, P.A., 508 Hampton Street, Columbia, South Carolina 29201. *Please refer to Docket No. 2005-210-E.*

PLEASE TAKE NOTICE: Any person who wishes to have his or her comments considered as part of the official record of this proceeding **MUST** present such comments, in person, to the Commission during the hearing.

Persons seeking information about the Commission's Procedures should contact the Commission in Columbia at 803-896-5100.

Public Service Commission of South Carolina
Attn: Docketing Department
Post Office Drawer 11649
Columbia, South Carolina 29211

26 July 2005
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